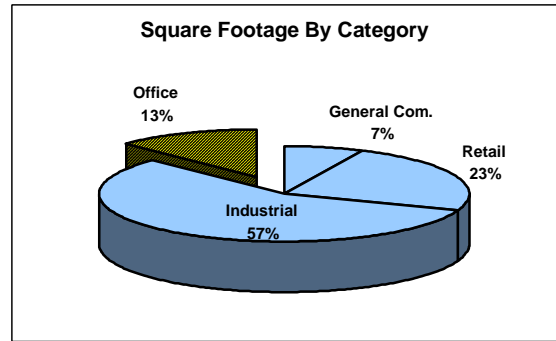


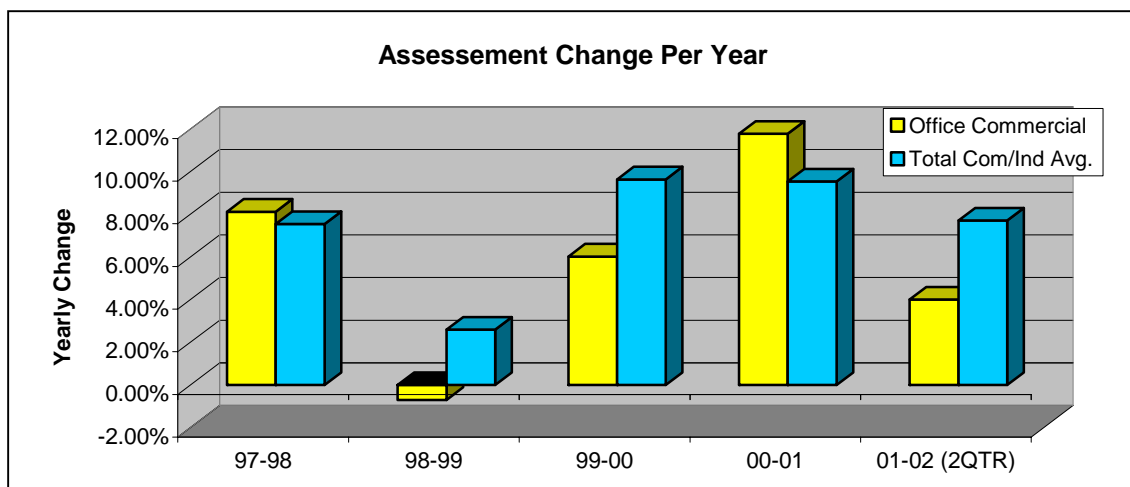
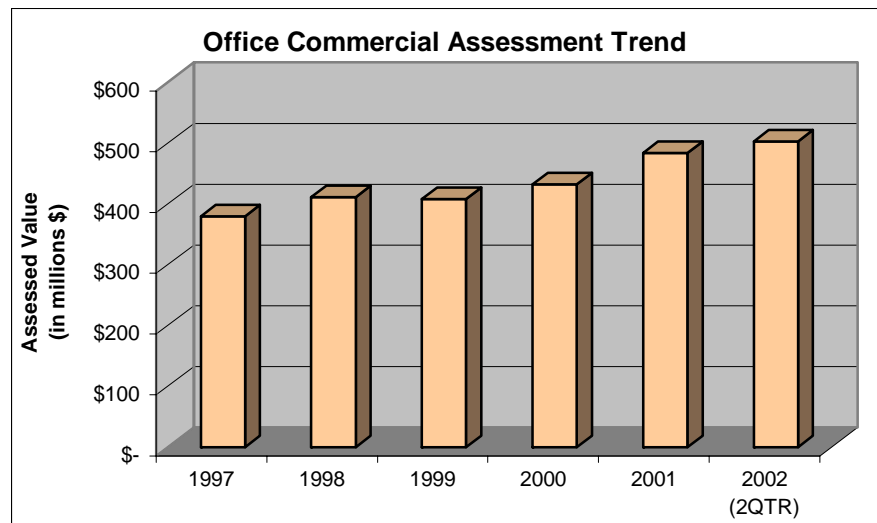
Square Footage

Office commercial developments have well over 7 million square feet of usable space, a number that represents 13 percent of the county's total commercial and industrial square footage. In terms of square footage added, the 1980s saw the highest average office commercial construction, with an average of over 385,000 square feet added per year. Currently in the 2000-10 period, an average of about 204,000 square feet of office commercial space is added each year, which, although not greater than the 1980s, is a much larger average than that of the 1990s. The average size of an office commercial use is approximately 21,000 square feet.



Assessment

Office commercial uses have an assessed value of just over \$500 million according to second quarter 2002 data. This is around \$123 million increase since 1997, or about \$25 million per year average increase. This equates to a 5.8 percent average yearly increase in assessment since 1997, which is lower than the 7.4 percent average yearly increase for all commercial and industrial developments combined. Office commercial uses account for 19 percent of the total commercial and industrial assessment in Chesterfield County.



Industrial

Definition

Industrial uses are those businesses that are primarily engaged in the manufacturing, assembling, storing and distributing of tangible goods. Although some industrial uses may be engaged in the selling of their goods on-site, the distinguishing feature of this group is that its primary functions are those listed above. Industrial uses are usually found close to major transportation networks, such as interstate highways and railroads.

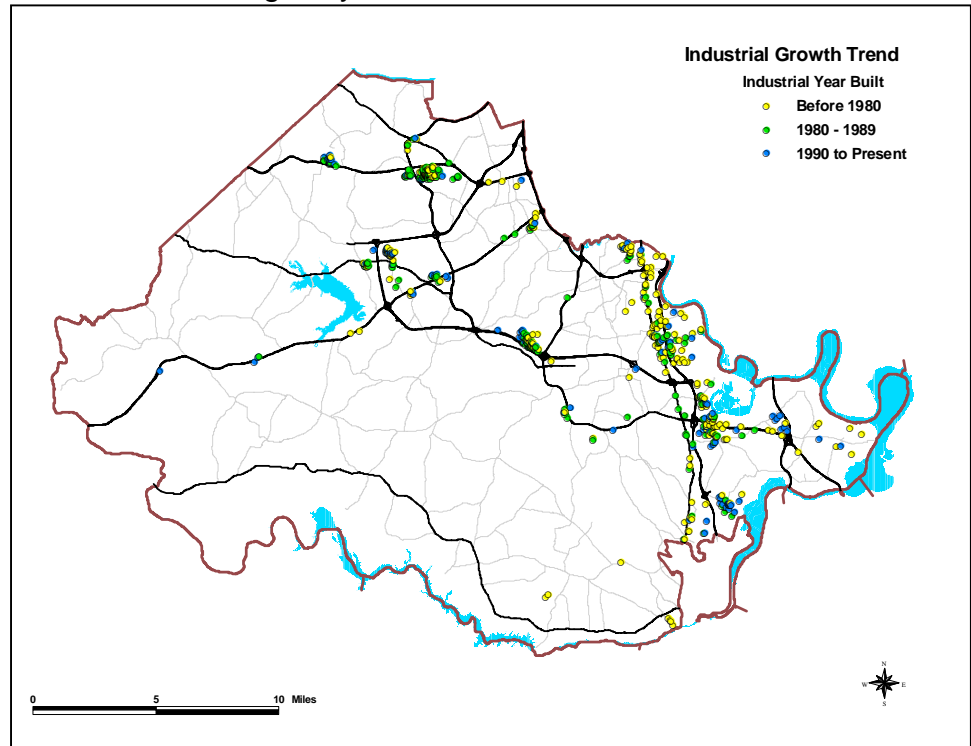
Acreage

There are more than 6,000 acres of existing industrial uses in Chesterfield County. This is over 60 percent of the total commercial and industrial acreage of the county. It should be noted that industrial uses are land-intensive and usually require larger properties for development.

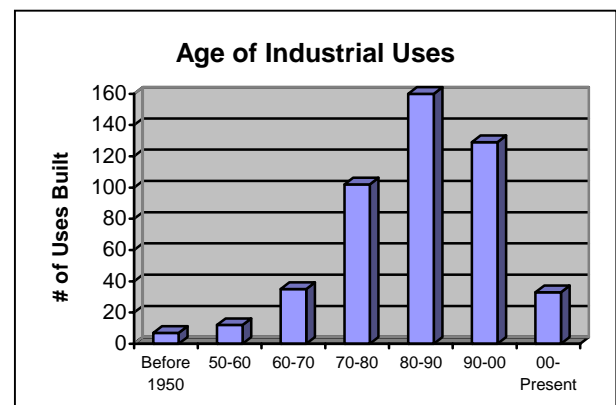
Age

Approximately 57 percent of industrial uses were constructed between 1980 and 1999.

During this period, an average of 14 new industrial developments were built each year. Data collected in the 2000-10 time frame suggests a continuation of this trend.

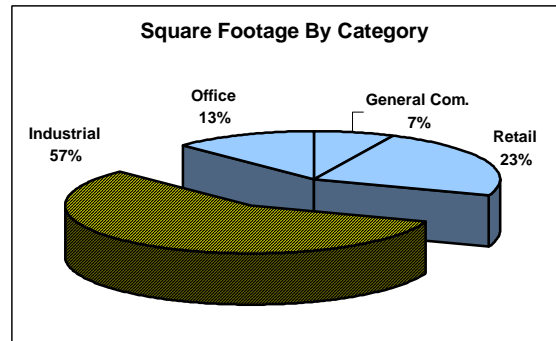


Industrial—Square Footage		
Time Frame	Square Footage	Change
Before 1950	14,718,781	44%
1950-1960	1,354,030	4%
1960-1970	1,371,475	4%
1970-1980	3,410,366	10%
1980-1990	4,433,510	13%
1990-2000	6,426,572	19%
2000-Present	1,401,671	4%
TOTAL	33,116,405	100%



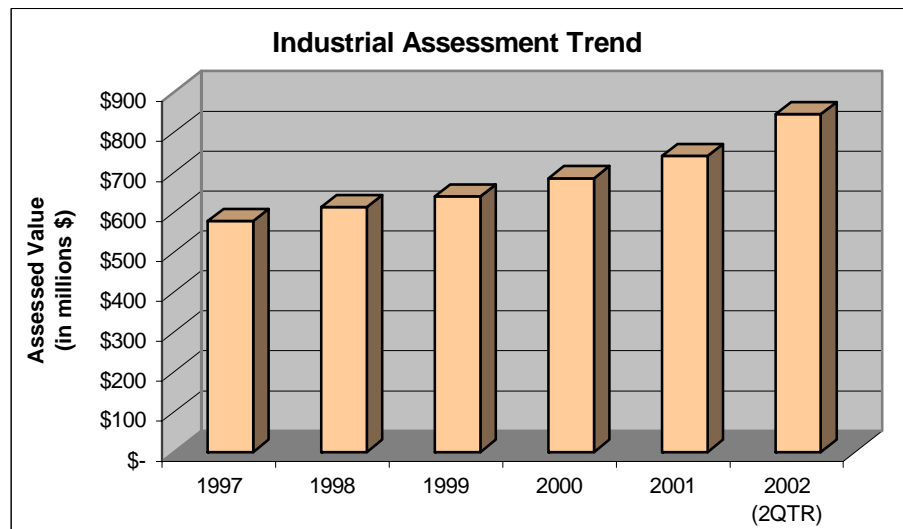
Square Footage

Industrial developments contain well over 33 million square feet of space, or about 57 percent of Chesterfield County's entire commercial and industrial square footage. Over 14 million square feet of Industrial space was constructed before 1950, with over 8 million square feet located in the Defense Supply Center Richmond located off of Jefferson Davis Highway. Industrial uses continue to increase in size. Every decade since 1950 has experienced an increasing amount of square footage, and the 1990s saw an average of nearly 650,000 square feet of industrial square footage being added every year. According to the data collected, an average of about 470,000 square feet has been added per year in the 2000-10 time frame and appears to forecast a continuation of this trend. The average size of an industrial use in the county is over 65,000 square feet.

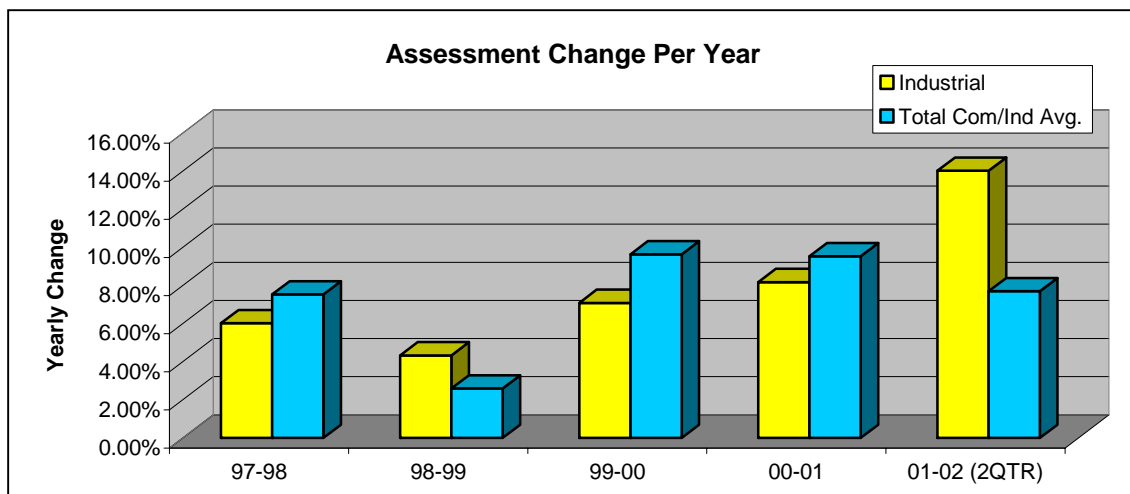


Assessment

Industrial development has about \$850 million of assessed value. This is approximately a \$270 million increase since 1997. This corresponds to an average of about a \$53 million increase in assessment per year, or about an 8 percent increase per year. This is somewhat higher than the countywide 7.4 percent average increase in



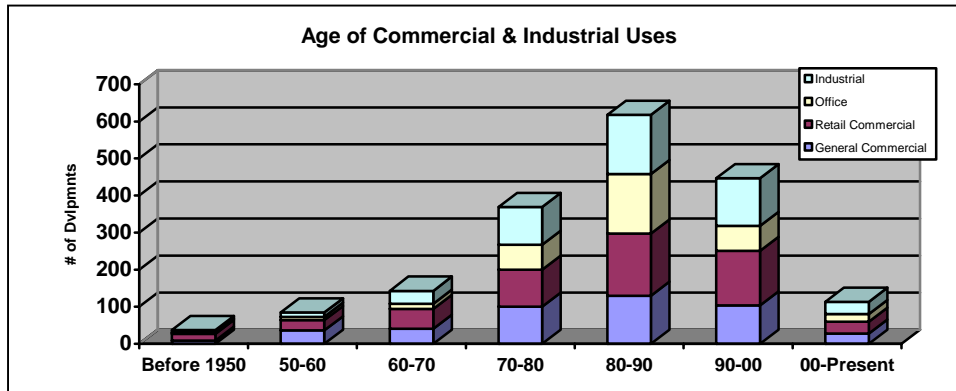
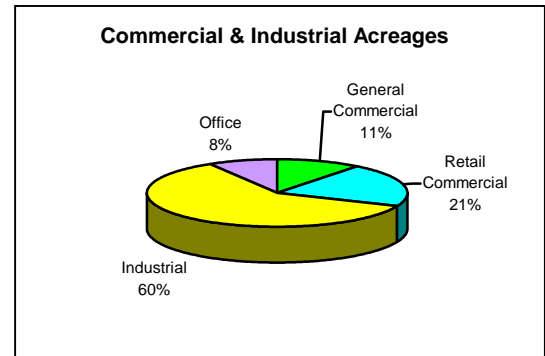
assessments for all commercial and industrial uses combined. Industrial developments account for nearly 32 percent of the total commercial and industrial assessment.



Summary of Findings

Acreage

There are over 10,000 acres of commercial and industrially developed land in Chesterfield County. This figure represents only about 4 percent of all of the developed acreage in the county. Due to the space-intensive nature of its uses, it is not surprising the majority, over 60 percent or 6,000 acres, of commercial and industrial acreage is taken up by the industrial category. The smallest category is office space, with only about 8 percent, or approximately 850 acres of land.



Age

The greatest number of commercial and industrial uses was constructed between 1980 and 1990. This period witnessed over 600 new commercial and industrial uses being constructed, or 34 percent of all of the commercial and

industrial developments currently in the county. Since that time, the number of new developments constructed has been in decline.

Square Footage

Currently possessing over 58 million square feet of commercial space, Chesterfield County has seen a consistent increase in commercial square footage since the mid-20th century. If the few years that have passed in the current decade are an indicator of the future growth of the commercial sector, than it appears as if this trend should hold true through 2010. It should be noted that while the overall number of establishments are in decline, the amount of square footage contained in these is increasing, signifying a trend toward all-in-one types of commercial developments.

Chesterfield County Age of Square Footages		
Time Frame	Square Footage	% Of Total
Before 1950	15,403,333	27%
1950-1960	1,628,795	3%
1960-1970	2,638,786	5%
1970-1980	8,387,033	14%
1980-1990	13,225,407	23%
1990-2000	13,563,968	23%
2000 to Present	3,197,653	5%
TOTAL	58,044,975	100%

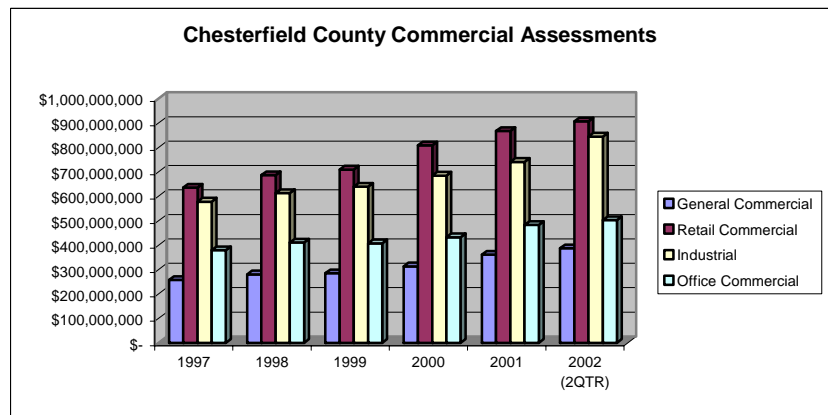
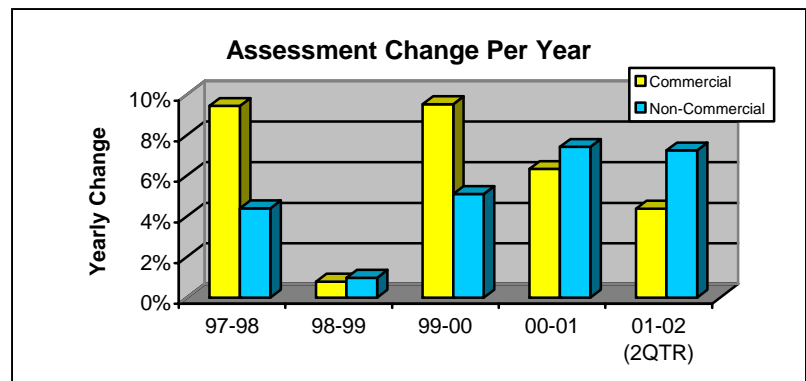
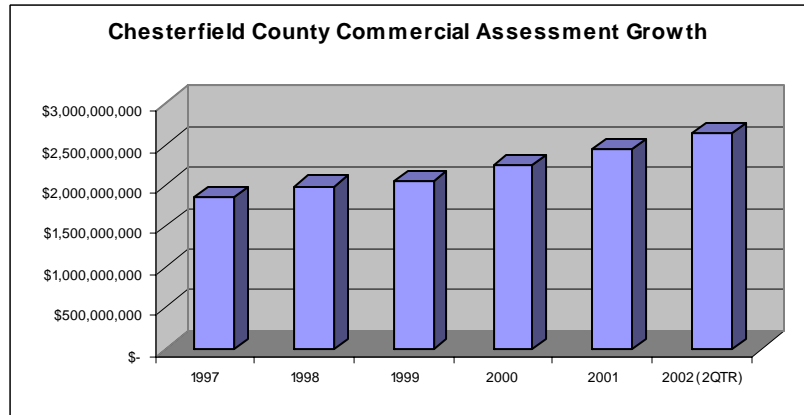
Assessment

Chesterfield County has over \$2.6 billion worth of commercial developments, and makes up approximately 16 percent of the county's total assessment value. Commercial assessments have remained relatively steady since 1997 and have increased an average of over 6 percent per year, compared to the 5 percent average annual increase in non-commercial assessments.

However, the average yearly increase in commercial assessments has been declining since around 2000, most likely because of the national economic slowdown.

The greatest assessment increases have occurred in the office-commercial and retail-commercial sectors of Chesterfield's commercial development.

Since 1997, office assessment has increased 75 percent, while retail assessment has increased 70 percent.



Methodology and Data Sources

The following terms and calculations were used in this section of the report:

Commercial and industrial categories were generalized into four groups. Each of these is based on data from the Department of Real Estate Assessments in the form of use codes.

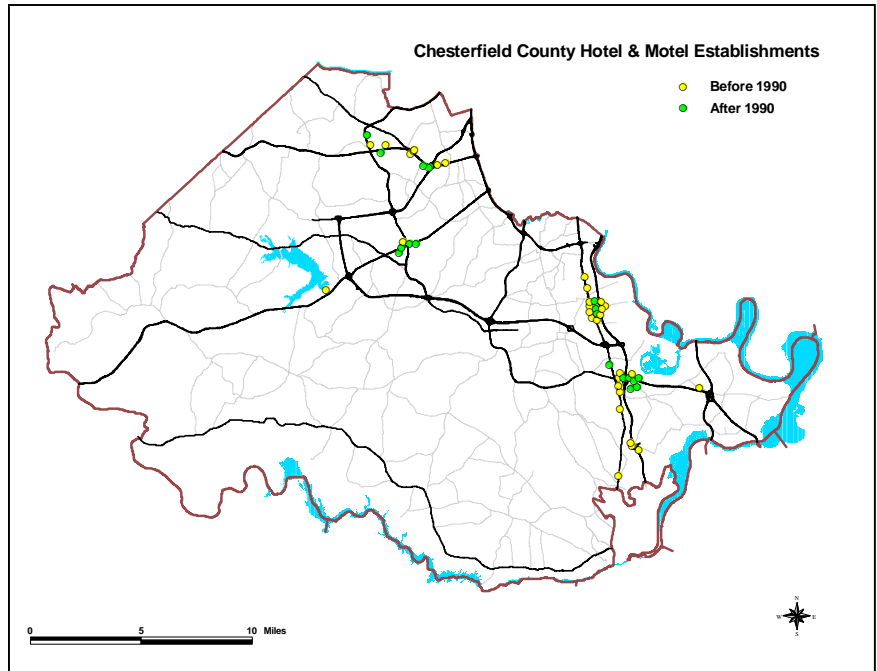
- **General commercial**—banks, bowling centers, car washes, day-care centers, fast-food restaurants, funeral homes, health clubs, laundromats, hotels, mini golf/driving ranges, motels, radio/television stations, restaurants, service garages, service stations, skating rinks, tennis/racquetball clubs, theaters and veterinary hospitals.
- **Retail commercial**—automotive centers, automobile dealerships, convenience stores, department stores, discount stores, markets, rural markets, nurseries, retail stores, shopping centers and used-automobile sales.
- **Industrial**—industrial engineering, industrial manufacturing under 50,000 square feet, industrial manufacturing over 50,000 square feet, mining and processing plants, mini warehouses, office warehouses, storage-tank facilities, storage warehouses, airport terminals, railroad terminals and truck terminals.
- **Office commercial**—office class C, A and D, office condominiums and medical offices.

The information found in this section of the report came from the following source:

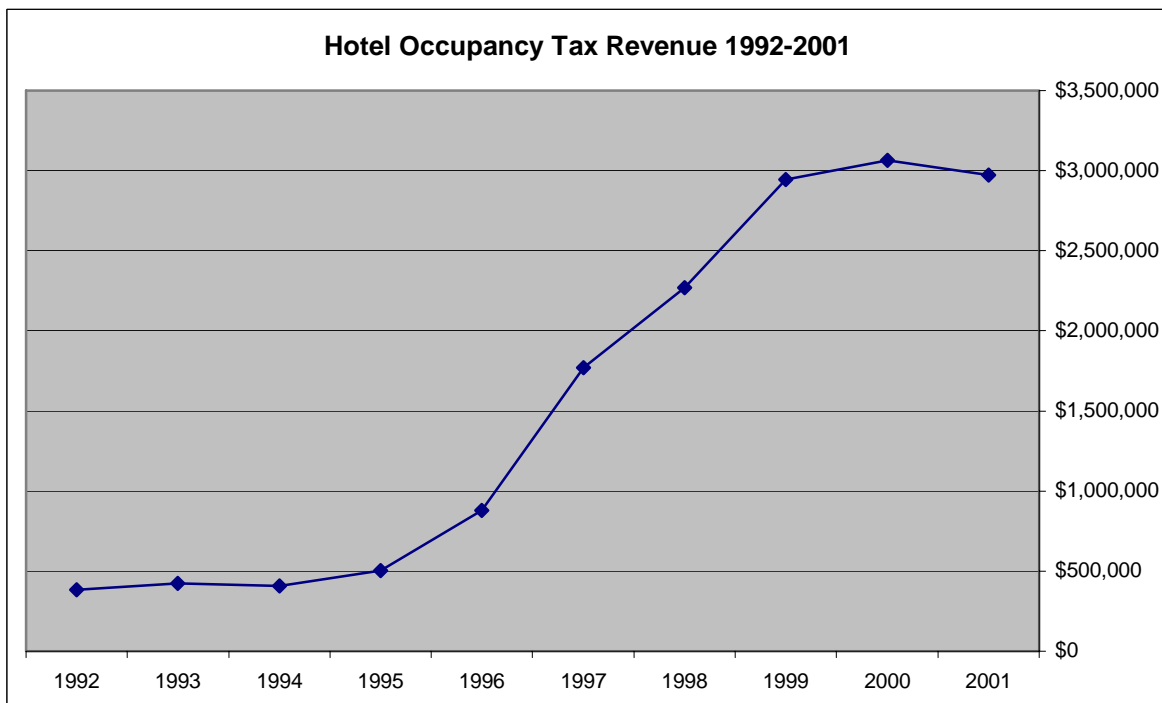
- ArcView GIS data refined from parcel layer information provided by the Department of Real Estate Assessments.

Hotels and Motels

The number of hotels and motels increased dramatically during the 1990s. Before 1990, there were 26 facilities in the county. Today there are 41, an increase of almost 60 percent. Please refer to the attached map for exact locations. The facilities are located in strategic clusters, especially congregating along Midlothian Turnpike, along Jefferson Davis Highway, at the intersection of Route 10 and Interstate 95 and at the Route 360-Courthouse Road intersection.



As shown in the chart below the occupancy tax collected by Chesterfield County has also dramatically increased as well. In 1992, the occupancy tax collected was less than \$400,000 per year. By 2001, the tax was almost \$3 million, a more than seven-fold increase.



Methodology and Data Sources

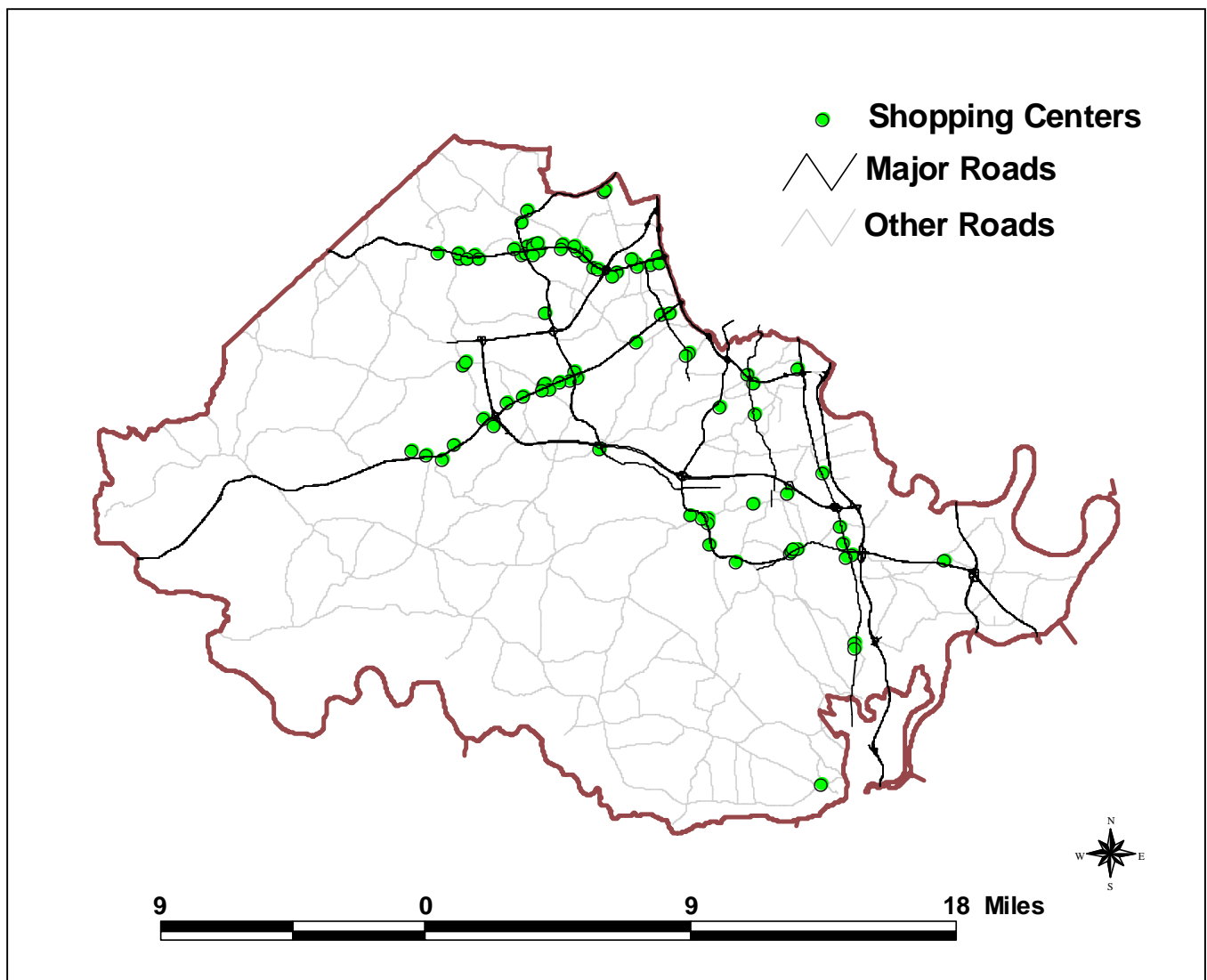
The following terms and calculations were used in this section of the report:

- Hotels and motels as defined in the Chesterfield County GIS and are based on data from the Chesterfield County Department of Real Estate Assessments.
- Occupancy tax as determined by the Chesterfield County Commissioner of Revenue

The information found in this section of the report came from the following sources:

- Hotel Occupancy Tax revenues—Commissioner of Revenue
- Hotel and motel locations—Chesterfield County GIS data

Chesterfield County Shopping Centers



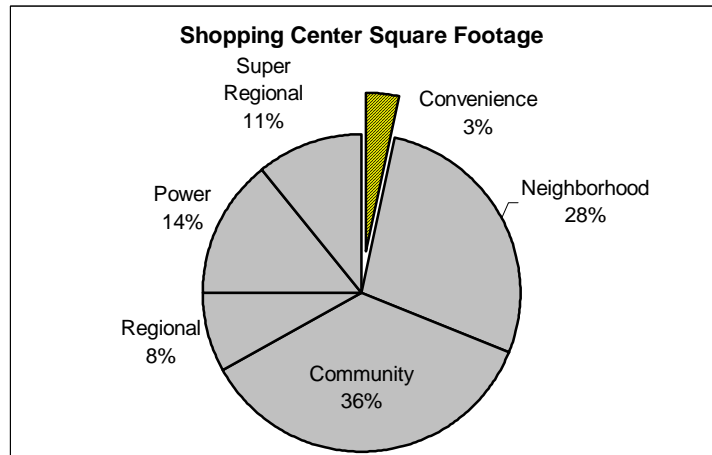
Convenience Centers

Definition

Convenience centers are shopping centers that lack a sizeable chain anchor tenant and have a square footage of less than 30,000 square feet. These shopping centers are usually small, locally owned stores that are located away from other commercial development, but still along major roadways and serve a small population radius. Convenience centers are the least intensive shopping center development identified in this report.

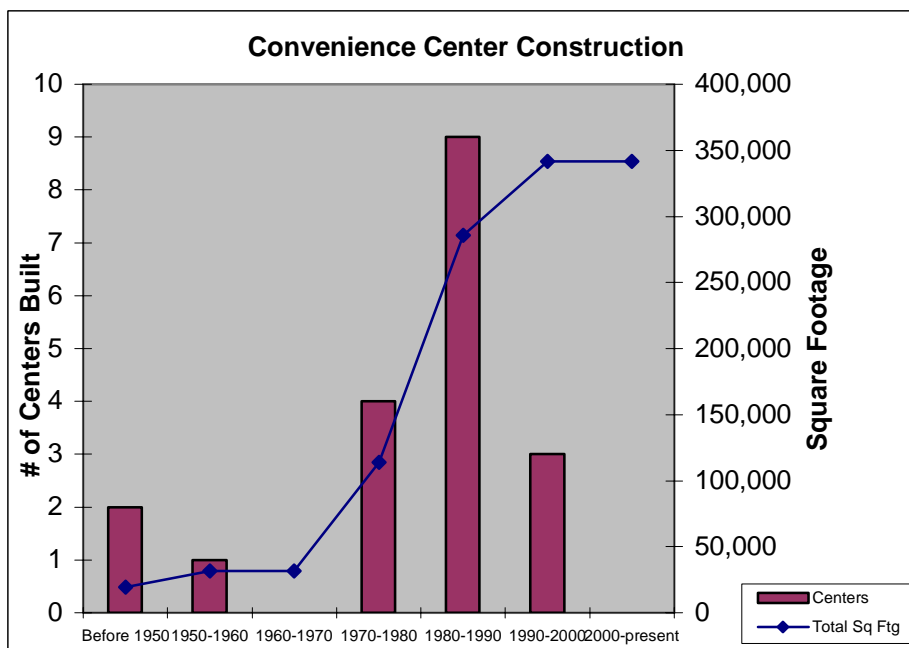
Acreage and Size

There are 19 convenience centers scattered throughout Chesterfield County. These shopping centers comprise 341,525 square feet of space, and lie on nearly 55 acres of land. Convenience centers make up about 3 percent of the total shopping-center square footage. These centers average approximately 18,000 square feet, with pharmacies being the major tenants, and occupy an average of less than three acres of land.



Age

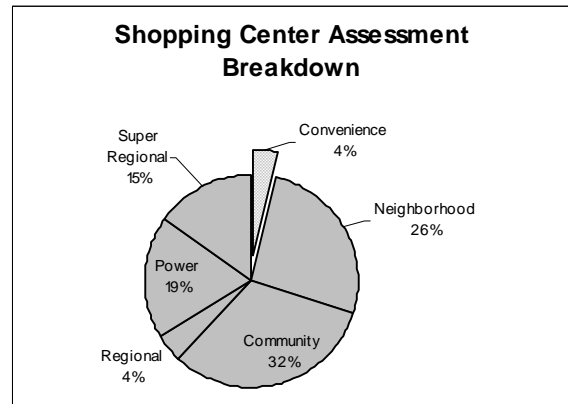
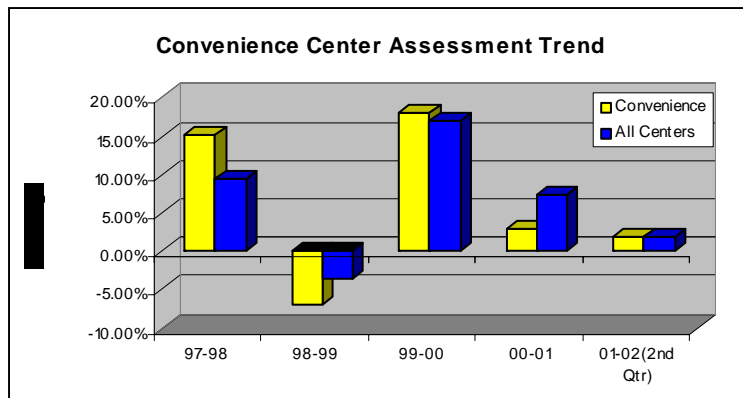
The average age of the convenience centers is 21 years. Most were constructed in the mid-to late 1980s. In fact, nearly 50 percent of convenience centers were constructed during the 1980s. The lack of new convenience center construction indicates that this type of shopping center may become obsolete due to competition.



Assessment Trend

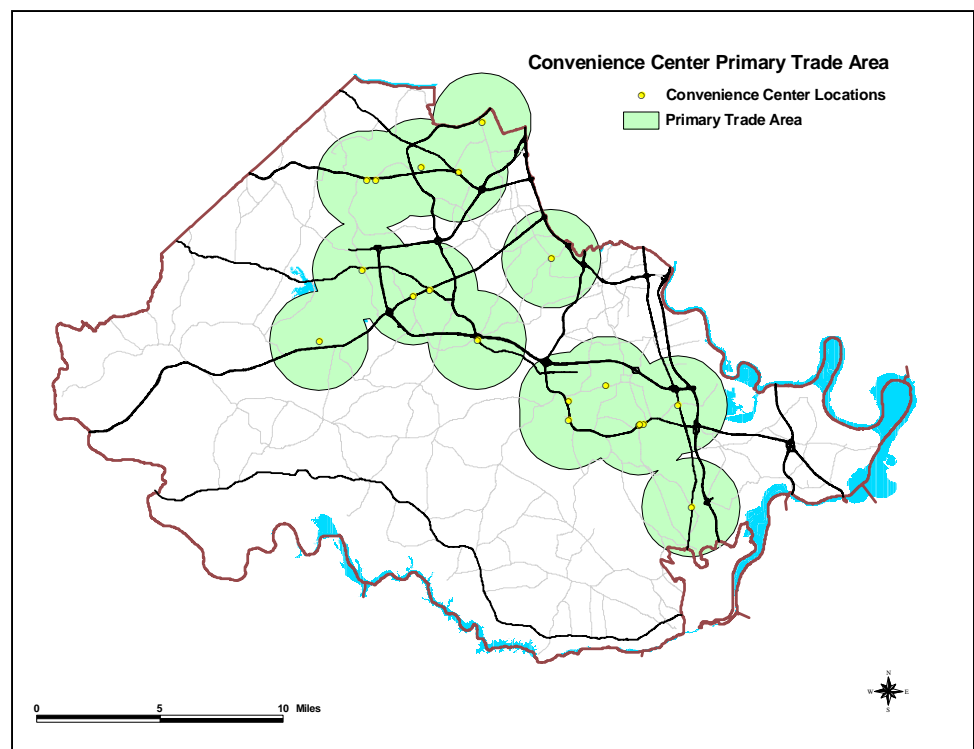
Convenience centers account for \$26 million of assessed value of the shopping center total of about \$700 million, or about 4 percent of the total assessed value of all of the shopping centers of the county combined. This figure has increased slightly since 1997, when convenience centers made up only 3.8 percent of the total shopping center value.

The average annual increase in assessment for the convenience centers is slightly below the average increase for all of the shopping center types. Convenience centers have experienced a 6.2 percent average annual increase compared to the 6.4 percent for all of the shopping centers.



Primary Trade Area

The primary trade area (the area in which most of a business's population lives) for convenience centers is the smallest of all of the shopping centers. With a radius of about 2 miles, convenience centers have the ability to capture an area of approximately 13 square miles. The primary clientele of convenience centers are their surrounding suburbs and neighborhoods located close to them. The primary trade areas for existing convenience centers in Chesterfield County are shown below. As the map shows, there is not much overlap in the primary trade areas of convenience centers, which could indicate that these shopping centers serve distinct populations.



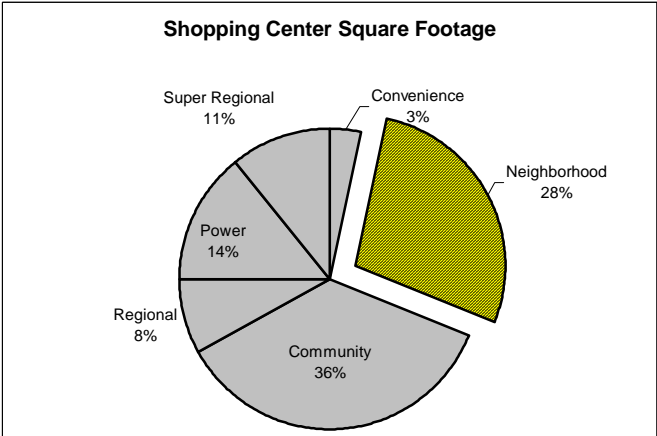
Neighborhood Centers

Definition

Neighborhood centers are shopping centers that usually consist of lone chain grocery stores and a few smaller stores. Neighborhood centers range in size from 30,000 to 100,000 square feet. These shopping centers are usually located along major thoroughfares and at major intersections. Neighborhood centers are the most numerous of the shopping center types in Chesterfield County.

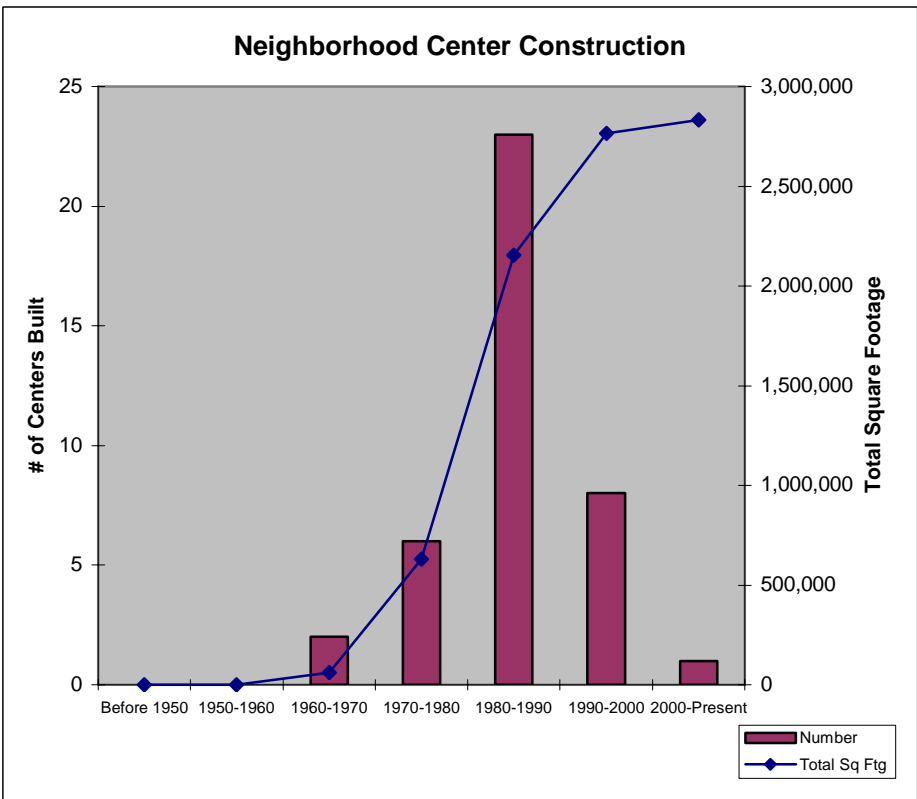
Acres and Size

There are 40 neighborhood centers that have been identified in this report. Neighborhood centers occupy nearly 400 acres of land. These shopping centers also have more than 2.8 million square feet among them, and have an average size of over 70,000 square feet. Neighborhood centers make up 28 percent of the total shopping-center square footage.



Age

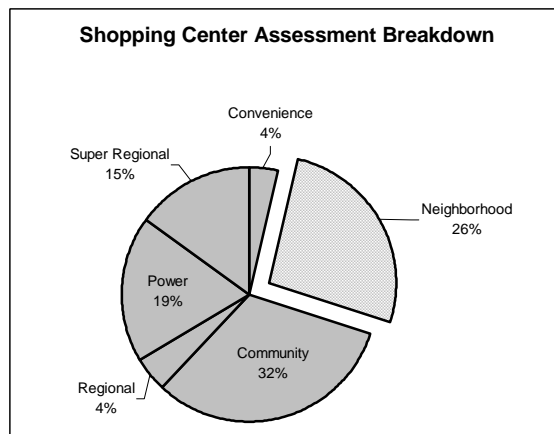
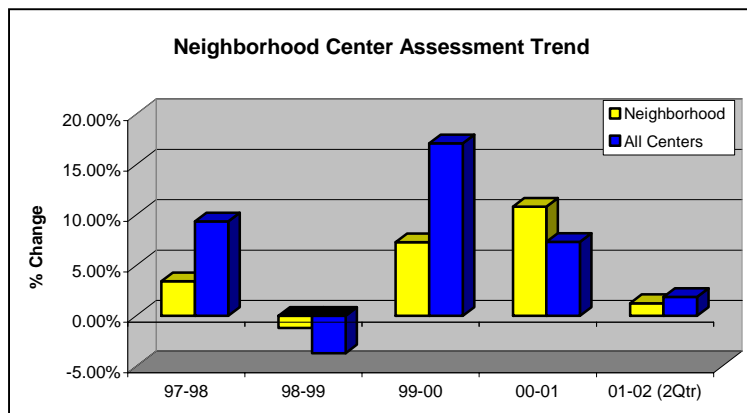
The average age of the neighborhood centers is 18 years. Most of the neighborhood centers were constructed in the mid-1980s. Nearly 58 percent of the neighborhood centers were constructed between 1980 and 89. Although the pace of neighborhood-center construction has leveled off, new centers continue to be built.



Assessment Trend

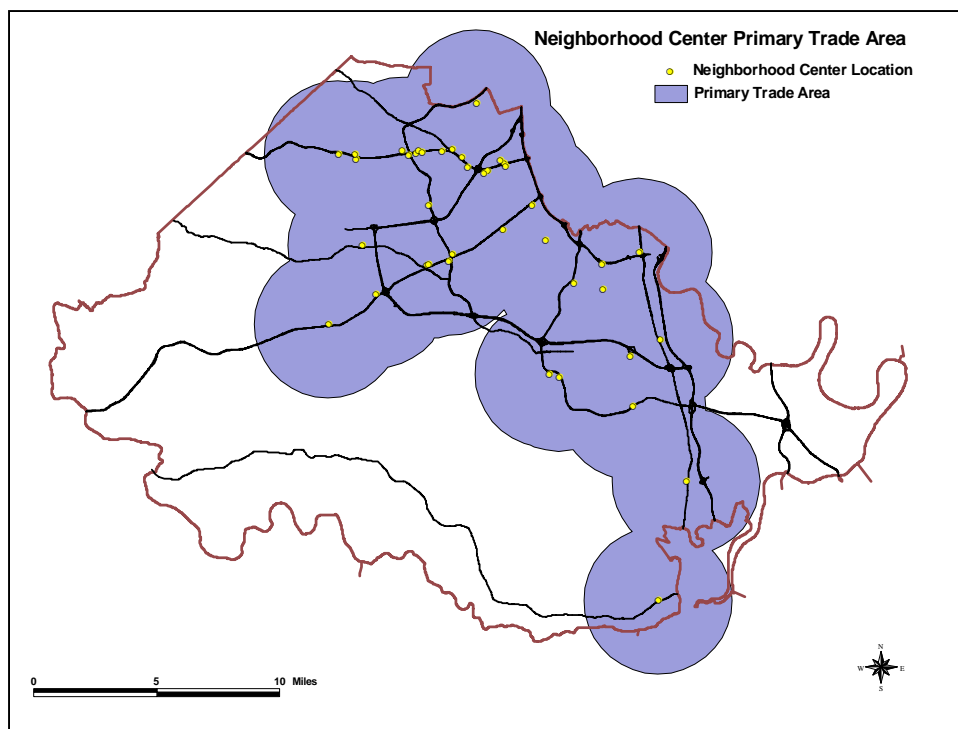
Neighborhood centers account for approximately \$185 million of assessed value, or over 26 percent of the total assessed value of all shopping centers in Chesterfield. This figure has dropped slightly since 1997, when neighborhood centers accounted for nearly 29 percent of the total assessed value of shopping centers. This is most likely due to competition with larger shopping centers that offer more variety.

The average annual increase in assessment for neighborhood centers is moderately below the average increase for all shopping centers. Neighborhood centers have experienced a 4.3 percent average yearly increase in assessment, compared to 6.4 percent for all shopping centers.



Primary Trade Area

The primary trade area (the area in which most of the business's population lives) for neighborhood centers is a radius of 3 miles. With this radius, neighborhood centers have a primary trade area of just over 28 square miles each. The primary clientele of neighborhood centers are the subdivisions and neighborhoods surrounding them, as well as commuters along the major roads on which they are located. The primary trade area for existing neighborhood centers is shown to the right. The map indicates a large amount of overlap among these shopping centers, and could signify a great deal of competition between these types of shopping centers.



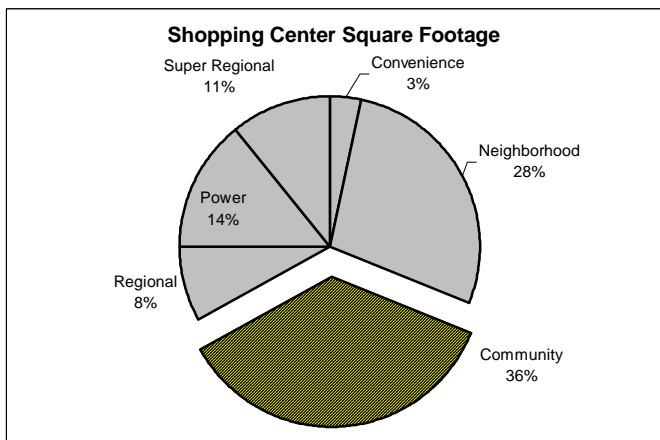
Community Centers

Definition

Community centers are shopping centers that have greater varieties of goods than that of neighborhood centers. Community centers usually have at least two large anchors, such as a grocery store, clothing store, or any other larger general-merchandising store, as well as multiple outparcels consisting of restaurants, banks and other smaller uses. Community centers range in size from a minimum of 100,000 square feet, to 350,000 square feet. These shopping centers are usually located along major commuter routes and at intersections of major commuter routes.

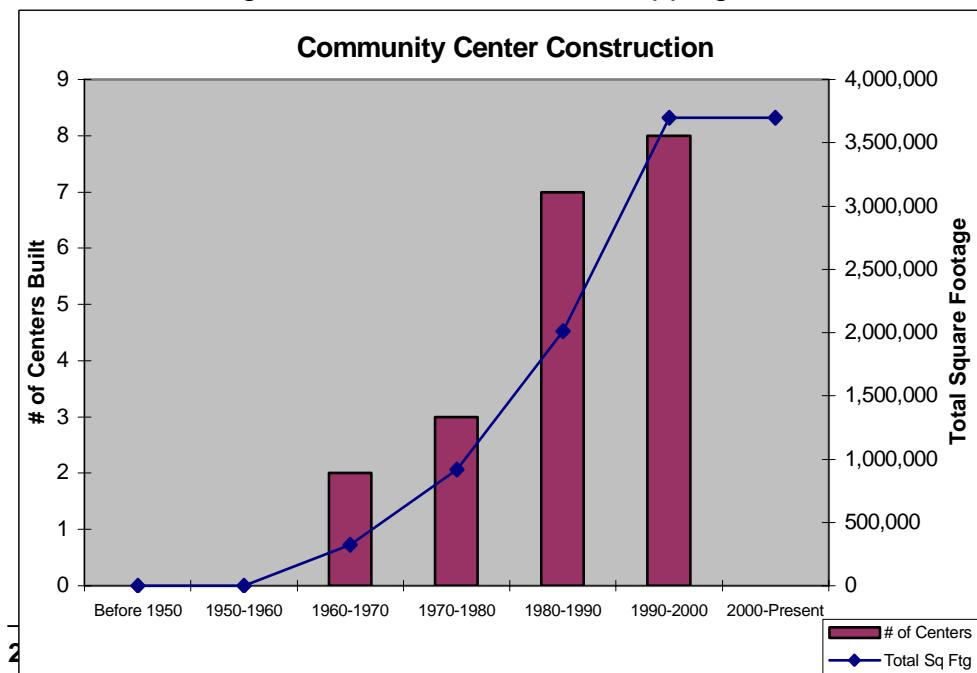
Acreage and Size

There are 20 community centers that have been identified. These centers occupy about 458 acres in the county. Community centers make up almost 3.7 million square feet of shopping-center space, and have an average size of nearly 185,000 square feet. Community centers make up 36 percent of the total shopping-center square footage of Chesterfield.



Age

The average age of community centers is approximately 17 years. Most of the community centers were built in the late 1980s and early 90s. In fact, 65 percent of the community centers were constructed between 1987 and 1993. The growth of commercial centers indicates a strong demand for this kind of shopping center.



Assessment Trend

Community centers have an assessed value of nearly \$225 million, and represent 32 percent of the total assessed value of all shopping centers. This figure has dropped slightly since 1997 when community centers accounted for over 36 percent of total shopping-center value. This is most likely a